

# TECHNICAL MEMORANDUM

## Utah Coal Regulatory Program

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May 16, 2007

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TO: Internal File

THRU: Pamela Grubaugh-Littig, Permit Supervisor *pgl*

FROM: Priscilla Burton, CPSSc, Environmental Scientist III *PWB by an*

RE: Mid-Term Review, Arch Western Bituminous Group, LLC, Gordon Creek 2, 7, & 8 Mines, C/007/0016, Task ID #2757, Ownership and Control Review.

### SUMMARY:

The Division initiated a midterm review of the Gordon Creek #2, #7, and #8 Mines on March 5, 2007. The ownership and control information in the permit should be updated. This might be accomplished by referencing the General Chapter 1 volume for Canyon Fuel Company's affiliated Utah mines and through an update of the organizational chart (Figure 1-1) of the General Chapter 1 Volume.

The Division should conduct a routine AVS check.

### TECHNICAL ANALYSIS:

## GENERAL CONTENTS

### IDENTIFICATION OF INTERESTS

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

#### Analysis:

Section 2.2.1 of the MRP indicates that the applicant and operator is Mountain Coal Co. Sections 1.1 and 2.2.7.2 indicate that Mountain Coal Co. is owned by Atlantic Richfield Co.

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Section 2.2.1 of the MRP indicates that the applicant and operator is Mountain Coal Co. Sections 1.1 and 2.2.7.2 indicate that Mountain Coal Co. is owned by Atlantic Richfield Co. Section 2.2.6 indicates the resident agent is The Corporation Trust Co., Wilmington, Delaware. The current reclamation only permit, dated August 27, 2004, is assigned to Mountain Coal Co., LLC., a subsidiary of Arch Western Resources, LLC. All Division correspondence to Mountain Coal Co., LLC is through Chris Hansen at Canyon Fuels Co. The ownership and control information in the permit should be updated. This might be accomplished by referencing the General Chapter 1 volume for Canyon Fuel Company's affiliated Utah mines and through an update of the organizational chart (Figure 1-1) of the General Chapter 1 Volume.

An AVS check to insure that ownership and control information is current and correct, to verify compliance status of unabated enforcement actions, to determine status of any outstanding finalized penalties, and to verify that there are no demonstrated patterns of violation should be undertaken by authorized Division representatives.

**Findings:**

The information provided does not meet the requirements of the Regulations. The Permittee must provide the following information in accordance with:

**R645-301-112.300**, Changes to the principal shareholders of Mountain Coal Co., L.L.C. listed in MRP 2.2.7.2 must be updated. The following information must be provided for Mountain Coal Co., L.L.C. parent companies:

- Ownership or control relationship to the applicant
- Percentage ownership
- Location in the organizational structure
- Addresses of the corporations within organizational structure
- Principal shareholders of all the above corporations.
- Ownership and control information must include officers and directors

**RECOMMENDATIONS:**

The Mining and Reclamation Plan does not contain accurate ownership and control information. Further information is requested of the Permittee.